

The crisis has passed: Time to heal

PART 5 IN A SERIES

The phrase “Proper planning prevents poor performance” is especially true when trying to get a farm business back on its feet after an emergency. Once the initial crisis of large-scale farm emergencies is over and the emergency responders go away, the farm – and often its community – must learn how to deal with health, environmental, and economic impacts.

Experience has shown that farms with a continuity of operations plan (COOP) or strategy – written or understood - get back on



their feet more quickly and are more likely to survive disasters than those that do not.

The steps needed to restore normal operations after a large-scale emergency varies tremendously between incidents – no single blueprint

for success can be drawn up. Still, there are some clear lessons from decades of emergency management experience that agricultural producers can keep in mind. These fall in four general categories:

Leadership
Communications
Operations
Financial

Leadership: There are a number of attributes that demonstrate successful leadership during emergencies, and in their absence, businesses have often failed. These include:

1. **Quick response to the incident** – anticipate what actions employees and family members may be called on to perform.
2. **On-scene employees making good decisions** – do your employees know what emergency actions to take?
3. **Maintaining balance** – prior thought and planning reduces the number of decisions that have to be made in crisis mode and can help decision-makers keep their heads when everyone around them may be losing theirs.
4. **Maintaining control:** It has been said that the recovery process begins during the initial response efforts. By “beginning with the end in mind” managers can get the business back on its feet.

Communications: Your community, suppliers, clients, employees and their families, and often the public, will need information from you before things get back to normal. You cannot afford to lose credibility with any of them, so be sure to be factual and truthful. Communicating with diverse groups during a crisis can be a real challenge. Many farming operations have benefited from the advice of communications specialists who can help sort out who needs to know what during a crisis. Among the communication principles to keep in mind:

1. **Identify your communication targets.** Is it employees, suppliers, customers, media, community, government regulators?
2. **Develop the message** for each of your

targets. Identify what information is needed and when. Stay on message and make sure you are doing your part throughout the process to provide the needed information.

3. **Coordinate the message** and its release with authorities. Nothing can undermine your credibility faster than when emergency responders, community members or the media receive confusing or contradictory information. Taking time to make sure accurate and timely information gets to everyone who needs it can speed action and squash rumors before they get started.
4. **Communicate with the target in mind.** What is the best way to get your message out to different groups? Is it a personal visit, a face-to-face meeting, a phone call, or something in writing? Having employees and their family members hear about a significant problem on the local evening news is rarely your best option.

Operations: Rapidly determine the extent of damage or other impacts and identify the right people to bring in at different stages of the recovery process. Important steps to consider:

1. **Set Clear Priorities:** Consider the various aspects of your operations that need to be brought back on-line. Being clear about the maximum down time your business can sur-

vive will help you set priorities as the crisis and recovery process unfolds. Resuming production is often the key to successfully restarting not only your business but also those of your suppliers and customers. Addressing personnel issues is often a key part of this effort.

Financial: Cash flow is frequently the name of the game. All the planning for communications and operations recovery is for nothing if you can’t fuel the business financially. Some things to consider:

1. **Company:** Do you have sufficient cash or liquid assets to carry the business through the crisis?
2. **Employees:** Good employees are the foundation of every successful organization. How will you take care of your team while operations are shut down? You don’t want to lose them, but if you don’t have a job for them, how long can you hold onto them? Thinking ahead may help identify options that demonstrate your commitment to helping them wherever you can.
3. **Outside financial assets:** Over the years a loosely defined triple safety net has developed to assist citizens and businesses recover from disasters and large-scale emergencies. These include:
 1. **Private insurance** is the primary protector,

Recovering: It takes a village

Sometimes recovering from a disaster means knowing when to move on, and that’s exactly what Jacob and Betty Strobel did after a tornado tore apart their house and an equipment barn in 2003.

“They were already thinking about getting out of farming, and the tornado was the last straw,” said their granddaughter, Jennifer Sisak.

And while the couple doesn’t like to talk about the event, everyone in the family appreciates what happened after the August storm destroyed all the farm equipment in a pole barn, took down half that barn and took off almost all of the farm home’s roof.

“When I think about the community’s response, and about all the people who came to help, it still brings tears to my eyes,” said Don Strobel, the couple’s son. “The outpouring from the community was overwhelming.”

After seeing somewhere between 35 and 50 volunteers helping cut branches and remove debris so contractors could fix the house, the thing that Don Strobel said might be foreign to city folks is still a real and common part of the farming community – farmers help each other.

“I think that’s unique to the farming community,” he said. “No matter how big they get, farmers still respond to each other’s needs.”



Farm neighbors help each other when crisis hits.

Later that fall, Don said, debris was still in the soybean field around the house, but neighbors did the required work for the couple, who didn’t get back into their home until the next January.

“They’d harvest awhile, stop to move trash out of the way, then harvest some more,” he said. “It probably took two-and-a-half times longer than normal, but they did it.”

Everyone else, from the sheriff to the emergency manager to the Red Cross to the fire fighters, all were amazing, Jennifer said.

“It’s a good testimony for all of them. So many people took it on themselves to make sure my grandparents were safe,” she said. “It speaks to the fact that sometimes the best support groups are neighbors – farm neighbors.”

Consider financial records to help recover from disaster

Because farming is a business, recovery following a disaster is a business function. The business must be in a position to generate cash flow as quickly as possible. In some cases, immediate generation of cash may require the liquidation of assets or use of cash reserves. Spending time developing a potential list of saleable assets before disaster strikes could be valuable.

Any recovery process must take employees into consideration. Their cooperation during the recovery and crisis periods mean they feel secure and feel that their

- family’s needs are addressed during the crisis.
- A good example would be the farm providing or sharing meals with employees and family members during a long period of electrical loss. The more opportunities the farm takes to show commitment to helping them will help ensure they’re cooperating during emergency situations.
- What outside financial assets are available to the farm during recovery from a crisis?
- Private insurance is the primary source. But the problem could be coverage. Tornadoes might be covered, but are terrorist-related losses or losses due to plant or animal diseases intentionally spread by terrorists? A review of coverage on a regular basis is recommended.
- The second source of financial assets would be Small Business Administration loans. These loans are low-interest rate loans intended to cover what insurance does not.

- Finally, there is the possibility of grants from state or federal agencies. Availability of these funds depends on the severity of the incident, availability of government funds and political will to act.
- Another crucial part of the recovery process is business and financial records. Without these, recovery can be difficult or impossible. Records of income and expenses, vendors, production records etc. are irreplaceable. Without them, it could become difficult to pay taxes, estimate losses for insurance or other purposes. Ultimately, this makes it wise to regularly backup or duplicate both computer and paper-based records and store the duplicates at a separate location from the originals. This will protect your records from whatever disaster might strike the originals at the farm.

For more information...

- United States Department of Agriculture Disaster and Drought Assistance Programs – see http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_10B?navid=DISASTER_ASSISTANCE&parentnav=AGRICULTURE&natype=RT
- USDA Crop insurance policies – see <http://www.usda.gov>
- USDA Disaster assistance – how to apply see <http://disaster.fsa.usda.gov/wherapply.htm>
- FEMA

2. **Small Business Administration loans** – these often low-interest loans must be repaid and are intended only to cover what private insurance does not; and
3. **Grants** from state and federal agencies – some not requiring 100 percent reimbursement. Availability depends on the severity of the incident, availability of government resources, and political will to act.

Farmers are fortunate in that there are two general sources of government programs available to assist farming businesses in the recovery process:

- USDA has programs to compensate agricultural producers for lost crops and livestock – dependent on damage assessments and declaration of emergencies by state and federal officials
- FEMA has additional programs for the general business community and families designed to rebuild lost infrastructure.

Identify the most time-sensitive operations

When fire or tornado destroys the milking parlor, there’s little doubt about priorities. The cows must be milked – period. But in other disaster or emergency recovery situations, things may not be so clear-cut.

According to the *Critical Incident Protocol: A Public Private Partnership*, farmers must always set priorities that will allow the most important operations to recover first. Many have found it helpful to set priorities based on the maximum allowable down time.

Following is a suggested time frame, but each business must determine its own operational requirements:

- Immediate – 0 to 24 hours. May require a designated alternate location
- Delayed – 24 hours to seven days. Try to prearrange a site that would be available for use for a short time period
- Deferred – beyond seven days. Operations with no immediate need for an offsite location.

Among the other considerations, deal with the following situations first:

1. **Disposal of Contaminated Products:** Do you have a plan for how you would dispose of large quantities of contaminated animal carcasses, crops, or other agricultural products?
2. **Maintain Control When Possible:** If you cannot maintain control of your business operations, work hard to avoid losing control of the most crucial ones. Cooperate with authorities, but make sure they clearly understand the potential impacts of their actions or failure to act. Demonstrating a clear commitment to doing what is needed for rapid response and recovery can keep working relationships on track and avoid unnecessary delays in recovery.
3. **Legal:** As distasteful as it may sound, you need to begin preparing for the possibility of legal proceedings. Remain as involved in the investigation as the authorities will allow. The most important aspect of recovery from a legal standpoint is to document everything: activities, phone calls, conversations, releases – everything.